

Beyond Vision: Growing to
Global Excellence

Rise every day



**PILLAR 3
BASEL III
Disclosures
Q1 2026**



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Overview

Pillar 3 of the Basel framework is designed to strengthen market discipline by requiring banks to publicly disclose detailed information on their regulatory capital structure, risk exposures, and risk-weighted assets (RWA). These disclosures enable stakeholders, including regulators, investors, and analysts—to assess the soundness and resilience of a bank’s capital position and risk management practices. In alignment with international standards, the Central Bank of the UAE (CBUAE) issued enhanced Pillar 3 disclosure requirements in November 2020, effective from 31 December 2021. The framework mandates standardized templates covering credit, market, and operational risks under Pillar 1, along with supplementary disclosures to improve transparency and comparability across institutions. These measures aim to reinforce confidence in the UAE banking sector and ensure alignment with global regulatory expectations.

Internal Pillar III Policy and attestation process:

- Reviews – Pillar III report undergoes several rounds of reviews by Finance and Risk functions.
- Internal audit – Internal audit performs a review of the Pillar III disclosures.
- Attestation – Attestation is obtained from a CFO, CRO of the bank that Pillar III report has been prepared in accordance with the board-agreed internal control processes.

Pillar III disclosures for the year ended 31st March 2026 have been appropriately reviewed by the management and internal audit.

The Group’s Pillar III disclosures for the period ended 31st March 2026 comprises of quantitative information in line with CBUAE Pillar III guidance.

Overview of risk management, key prudential metrics and RWA

Key metrics (KM1)

Key prudential regulatory metrics related to regulatory capital, leverage ratio and liquidity standards:

		Mar - 26	Dec - 25	Sep - 25	Jun - 25	Mar - 25
		(AED 000)				
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	33,710,032	31,667,913	32,626,687	31,012,268	29,532,515
1a	Fully loaded ECL accounting model	33,710,032	31,667,913	32,626,687	31,012,268	29,532,515
2	Tier 1	38,484,932	34,606,313	35,565,087	33,950,668	32,470,915
2a	Fully loaded ECL accounting model Tier 1	38,484,932	34,606,313	35,565,087	33,950,668	32,470,915
3	Total capital	42,020,797	37,511,346	38,540,901	36,880,303	35,382,283
3a	Fully loaded ECL accounting model total capital	42,020,797	37,511,346	38,540,901	36,880,303	35,382,283
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	266,255,838	258,441,049	229,923,001	210,147,596	191,745,571
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	12.66%	12.25%	14.19%	14.76%	15.40%
5a	Fully loaded ECL accounting model CET1 (%)	12.66%	12.25%	14.19%	14.76%	15.40%
6	Tier 1 ratio (%)	14.45%	13.39%	15.47%	16.16%	16.93%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	14.45%	13.39%	15.47%	16.16%	16.93%
7	Total capital ratio (%)	15.78%	14.51%	16.76%	17.55%	18.45%
7a	Fully loaded ECL accounting model total capital ratio (%)	15.78%	14.51%	16.76%	17.55%	18.45%
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0.10%	0.14%	0.10%	0.09%	0.07%
11	Total of bank CET1 specific buffer requirements (%)	2.60%	2.64%	2.60%	2.59%	2.57%
12	CET1 available after meeting the bank's minimum capital requirements (%)	5.28%	4.01%	6.26%	7.05%	7.95%
Leverage Ratio						
13	Total leverage ratio measure	389,565,141	374,119,225	342,869,289	326,462,459	301,856,499
14	Leverage ratio (%) (row 2/row 13)	9.88%	9.25%	10.37%	10.40%	10.76%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	9.88%	9.25%	10.37%	10.40%	10.76%
14b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	9.88%	9.25%	10.37%	10.40%	10.76%
Liquidity Coverage Ratio						
15	Total HQLA	71,411,921	62,485,294	58,590,010	63,245,645	68,509,233
16	Total net cash outflow	52,286,265	46,061,013	47,352,511	55,530,194	54,058,197
17	LCR ratio (%)	136.58%	135.66%	123.73%	113.89%	126.73%
Net Stable Funding Ratio						
18	Total available stable funding	194,374,902	178,667,677	163,829,943	153,424,100	147,797,577
19	Total required stable funding	169,895,386	157,746,139	145,662,995	135,343,078	123,859,726
20	NSFR ratio (%)	114.41%	113.26%	112.47%	113.36%	119.33%

Overview of Risk Weighted Assets (OV1)

The following table provides an overview of total Risk Weighted Assets.

	a	b	c
	RWA		Minimum capital requirements
	Mar - 2026 (AED 000)	Dec - 2025 (AED 000)	Mar - 2026 (AED 000)
Credit risk (excluding counterparty credit risk)	235,727,790	229,277,742	24,751,418
Of which: standardized approach (SA)	235,727,790	229,277,742	24,751,418
Counterparty credit risk (CCR)	1,247,913	1,708,067	131,031
Of which: standardized approach for counterparty credit risk	1,247,913	1,708,067	131,031
Credit valuation adjustment (CVA)	1,051,931	670,359	110,453
Equity investments in funds - look-through approach	392,069	404,197	41,167
Market risk	6,583,821	5,551,539	691,301
Of which: Standardized approach (SA)	6,583,821	5,551,539	691,301
Operational risk	21,252,314	20,829,145	2,231,493
Total	266,255,838	258,441,049	27,956,863

- The regulatory minimum capital requirement is calculated at 10.5% of the RWA.
- Credit risk weighted assets (CRWAs) increase as of March 31, 2026, is primarily on account of growth in loans and advances to customers.

Leverage ratio

Summary comparison of accounting assets vs leverage ratio exposure (LR1)

		Mar - 2026 (AED 000)
1	Total consolidated assets as per published financial statements	344,304,598
2	Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	2,454,263
8	Adjustments for derivative financial instruments	(1,624,792)
9	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	10,763,888
10	Adjustments for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	49,316,087
12	Other adjustments	(15,648,903)
13	Leverage ratio exposure measure	389,565,141

Leverage ratio common disclosure template (LR2)

		a	b
		Mar - 2026 (AED 000)	Dec - 2025 (AED 000)
On-balance sheet exposures			
1	On balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	327,702,453	316,718,624
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	327,702,453	316,718,624
Derivative exposures			
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	782,981	727,189
9	Add-on amounts for PFE associated with all derivatives transactions	999,734	1,619,255
13	Total derivative exposures (sum of rows 8 to 12)	1,782,715	2,346,444
Securities financing transactions			
14	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	6,431,019	8,762,275
16	CCR exposure for SFT assets	4,332,868	1,896,905
18	Total securities financing transaction exposures (sum of rows 14 to 17)	10,763,887	10,659,180
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	211,631,329	187,753,625
20	(Adjustments for conversion to credit equivalent amounts)	(162,315,243)	(143,358,648)
22	Off-balance sheet items (sum of rows 19 to 21)	49,316,086	44,394,977
Capital and total exposures			
23	Tier 1 capital	38,484,932	34,606,313
24	Total exposures (sum of rows 7, 13, 18 and 22)	389,565,141	374,119,225
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	9.88%	9.25%
26	CBUAE minimum leverage ratio requirement	3.00%	3.00%
27	Applicable leverage buffers	6.88%	6.25%

- Basel 3 leverage ratio is calculated by dividing the period-end tier 1 capital by the period-end exposure.
- The exposure for the purpose of leverage ratio consists of both on-balance sheet assets and off-balance sheet items.

Liquidity

This section intends to make an informed judgment about the soundness of the group's liquidity risk management framework and liquidity position.

Liquidity Coverage Ratio (LIQ1)

		Mar - 2026 (AED 000)	
		a	b
		Total unweighted value (average)	Total weighted value (average)
High-quality liquid assets			
1	Total HQLA		71,411,921
Cash outflows			
2	Retail deposits and deposits from small business customers, of which:		
3	Stable deposits	38,608,374	1,930,419
4	Less stable deposits	21,205,034	2,120,503
5	Unsecured wholesale funding, of which:		
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	47,341,581	11,835,395
7	Non-operational deposits (all counterparties)	76,858,163	47,076,324
9	Secured wholesale funding		168,855
10	Additional requirements, of which:		
11	Outflows related to derivative exposures and other collateral requirements	519,857	519,857
12	Outflows related to loss of funding of debt products	17,686	17,686
13	Credit and liquidity facilities	68,250,802	14,044,719
15	Other contingent funding obligations	22,111,939	1,105,597
16	TOTAL CASH OUTFLOWS		78,819,355
Cash inflows			
17	Secured lending (e.g. reverse repo)	2,622,381	2,495,696
18	Inflows from fully performing exposures	29,554,300	23,326,640
19	Other cash inflows	710,755	710,755
20	TOTAL CASH INFLOWS		26,533,090
			Total adjusted value
21	Total HQLA		71,411,921
22	Total net cash outflows		52,286,265
23	Liquidity coverage ratio (%)		136.58%

- The Group maintained LCR of 136.58% on a monthly average during the quarter and 130.93% as of March 31, 2026.
- The key drivers of LCR are the net cumulative outflows driven mainly by the deposit profile and the portfolio of high-quality liquid assets.
- The Group HQLA composition comprised 91.32% Level 1 HQLA and the remaining in Level 2A and 2B HQLA. The Group HQLA requirements are mainly met through the balances with CBUAE and various high-quality securities portfolio.
- The bank's funding strategy is to maintain a funding profile that is diversified by structure, tenor and currency.
- The bank closely monitors and manages the tenor of its funding sources to ensure it can meet liquidity needs under different stress scenarios and different time horizons.